

## ***Report to the Council***

**Committee:** Cabinet

**Date:** 14 February 2012

**Subject:** Housing

**Portfolio Holder:** Councillor Maggie McEwen

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### **Recommending:**

**That the report of the Housing Portfolio Holder be noted.**

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### **Housing Repairs Service – Introduction of Mears' IT System**

As members will be aware, following the transfer of the former Works Unit, the Housing Directorate has embarked on an ambitious Repairs Refresh Programme to significantly improve the customer service, performance and response times for housing repairs. This has involved: the creation of a new Housing Repairs Service, following a staff restructure and relocation; the increased use of framework contractors; and the appointment of a private sector Repairs Management Contractor to manage the service and introduce a more commercial approach to the operation.

With Mears now operating as the Council's Repairs Management Contractor, much work has been taking place to develop and roll-out the five specific "Key Deliverables" the Council has required of Mears in the first year of the contract.

Four of these Key Deliverables rely on the introduction and operation of Mears' own repairs IT system. These are the implementation of an efficient IT system; an appointment system for all repairs; mobile working for the Council's tradesmen; and the provision of a pricing system for tenants and leaseholders that accurately reflects the cost of the works.

The Mears IT system, called MCM, was successfully introduced on target in January 2012. This has brought with it a number of changes and improvements for both the Council and, more particularly, tenants.

The MCM system is quicker and easier for staff to use when recording a repair request. At the point of reporting a repair, all tenants are now being offered an appointment for their work (am, pm or "school times"), whether it is for an emergency or a routine repair. If the tenant provides a mobile phone number, a text message is sent to the tenant immediately confirming the appointment. The tenant then receives a further text message the day before the appointment to remind them, and a final message once the tradesman is on his way to their home, confirming the estimated time of arrival and the tradesman's name. Since implementation, in addition to dramatically improving customer service, the system has increased productivity amongst our housing workforce, as most tenants are now at home when tradesmen call.

There are 23 tradesmen that now have smartphones to receive and update repairs orders electronically whilst on the go. This has been rolled out on a phased basis to aid training and to iron out any issues at an early stage.

In time, the Council will see improved productivity through this new paperless IT system, which will improve performance when the system is used to its full potential from April 2012. Personally, I was interested to learn that, in the first few days of launching the new system, the Housing Directorate received its first compliment via a text message !

### **Council Housebuilding Programme**

At its meeting in December 2011, the Cabinet agreed the approach to be adopted for the implementation of a new Council Housebuilding Programme. The key element is the appointment of a Development Agent to provide all of the required development and construction services (e.g. architects, quantity surveyors, engineers, project management etc). Since the associated fees over the length of the Development Agent Contract will be above the EU procurement threshold for services, officers have had to follow the EU procurement rules.

The first step in the process has been the publication by the Council of an advert in the Official Journal of the European Union inviting expressions of interest from suitably experienced organisations to complete a Pre-Qualification Questionnaire (PQQ), which will be used to shortlist interested organisations for the detailed invitation to tender.

As at 27 January 2012, 56 expressions of interest to complete a PQQ were received by the Council's consultant who is undertaking the overall tender process.

### **Housing Improvements and Service Enhancements Proposals**

At its meeting in December 2011, the Cabinet agreed to include budget provision within the Housing Revenue Account (HRA) Financial Plan of £770,000 per annum for the next 10 years to fund housing service improvements and enhancements. This has been possible due to the additional funding that has been made available through the new self-financing arrangements for the HRA. The Cabinet also agreed to ask the Housing Scrutiny Panel, in consultation with the Tenants and Leaseholders Federation, to consider and recommend to the Cabinet the most appropriate use for this additional funding.

The Director of Housing is currently consulting other officers within the Housing Directorate on a proposed list of housing improvements and service enhancements - comprising proposals with both one-off and ongoing funding requirements - to bring forward to an additional meeting of the Housing Scrutiny Panel scheduled for the 5<sup>th</sup> March 2012. Prior to the meeting, the Tenants and Leaseholders Federation will meet to consider the officers' proposals, and the Federation's views will be reported at the Scrutiny Panel meeting.

### **Park Home Licence Conditions**

A report was scheduled to be considered by the Housing Scrutiny Panel on 31 January 2012 inviting the Scrutiny Panel to make recommendations to the Cabinet on a number of matters relating to the licensing of park homes sites in the District. This was as a result of certain issues arising after the Cabinet agreed, last year, the conditions that would be attached to the new site licences. These issues mainly relate to suitable smoke detection systems in porches and how far porches and combustible decking should be allowed to extend into the separation space between homes.

Essex County Fire and Rescue Service's (ECFRS) advice on these issues has been that the Council should adhere to the 'Model Standards 2008 for Caravan Sites in England'. However, to date, they have not been willing to confirm their advice in writing. Their oral advice has been the same as it was in July 2010, when the site licences were first considered.

A meeting was held on 24 January 2012 between the Leader of the Council, myself, senior housing officers and Fire Officers to discuss the ECFRS's views. The Leader put forward the view that the Council needs more comprehensive advice in writing on the issues to be considered by members.

As a result of these discussions, the Fire Officers agreed to provide their written views on the current issues, including statistical evidence. However, they advised that they would not be able to provide a written report on these issues before the end of February 2012. As a result of this, the Chairman of the Housing Scrutiny Panel agreed to postpone consideration of this matter until the views of the ECFRS have been received. Site owners and the representatives of residents associations were notified of the deferral in advance of the scheduled meeting.

### **Private Sector Housing Renewal Strategy**

The Private Sector Housing teams, together with the support of a specialist consultant, are currently updating the Private Sector Housing Renewal Strategy. The updated Strategy will set out the Council's approach to matters such as providing financial and other support for vulnerable people living in the private sector, bringing empty homes back into use and improving access to good quality homes in the privately-rented sector.

The Strategy will be partly based on the outcome of the Private Sector House Condition Survey undertaken by the Housing Directorate in late 2011. The Survey Report is in its final stages of drafting and an item will be included in a future Council Bulletin notifying Members when the Report is available. Copies will be put on deposit in the Members Room and the Report will also be made available on the Council's web-site.

To assist in the development of the Strategy, a consultation exercise has been carried out with staff whose work involves private sector housing. The C.A.R.E. Advisory Panel has also been consulted on the direction the Strategy should take and further consultation is to be carried out with the Leaseholders Association and the C.A.R.E. Service Users Forum. Once the draft Strategy has been prepared, further consultation will be carried out with other stakeholders including, but not limited to: Essex County Council, other local authorities, parish councils, charities, registered housing providers, neighbouring Home Improvement Agency leads and the PCT. The draft Strategy and a report on the outcome of the consultation will be considered by the Housing Scrutiny Panel in March 2012. The Panel will be asked to make its recommendations to the Cabinet and, on this basis, it is hoped that the Strategy will be implemented in Spring 2012.

### **Government Consultation Papers:**

The Council has recently received a number of consultation papers from the Department of Communities and Local Government (CLG).

*“Reinvigoration of the Right to Buy and one for one replacement”*

This proposes to increase to £50,000 the maximum discount that tenants can receive when they exercise the Right to Buy throughout the country. At present, the maximum amount varies by region. In London, the current maximum discount is £16,000, whilst in the East of England it is £34,000.

The consultation paper also invites views on options for the Government to meet its stated commitment of ensuring that, for every home sold under the Right to Buy as a result of the Government’s proposals, sufficient sale proceeds are used to fund the provision of a replacement home, somewhere in the country. Options include local authorities being able to retain these additional capital receipts and use them to provide replacement affordable housing in their own district; another option is for the net capital receipts to be surrendered to the Government, to enable the Homes and Communities Agency to redistribute the money nationally, through some form of bidding process.

It is also proposed to amend the calculation of the administration allowances that councils receive from capital receipts, to administer the Right to Buy function.

The Council’s response was agreed by the Housing Scrutiny Panel at its meeting on the 31<sup>st</sup> January 2012. The Tenants and Leaseholders Federation also decided to send a response.

*“Allocation of accommodation: guidance for local housing authorities in England”*

Following the introduction of the Localism Act 2011, the CLG is consulting on revised statutory guidance for local authorities on the allocation of social housing. The new guidance is intended to assist authorities to take advantage of the provisions in the Localism Act 2011, which give back to local authorities the freedom to manage their own waiting lists, and make it easier for them to move existing social tenants to more suitable accommodation. It also encourages authorities to make use of the existing flexibilities within the allocation legislation to ensure that social homes go to people who need and deserve them the most.

Alongside the guidance, the Government is consulting on two sets of draft regulations relating to the Armed Forces. The regulations will ensure that former Service men and women who have urgent housing needs are given 'additional preference' (i.e. high priority) for social housing - so that they will be at or near the top of housing waiting lists, and that Service personnel who move from base-to-base do not lose their qualification rights.

Officers are currently studying the proposed guidance and will be reporting on a proposed response to the Housing Scrutiny Panel at its meeting on 13<sup>th</sup> March 2012.

*Social Housing Fraud*

Social Housing Fraud can cover a range of situations, whereby social housing is being improperly used due to fraudulent activity. The most common mis-use is through ‘unlawful occupation’, which generally means subletting the whole of a tenant’s home, key-selling (where the tenant leaves the property and passes on the keys in return for a one-off lump sum payment) and unauthorised succession (where someone misrepresents their circumstances in order to qualify to succeed to the tenancy following the previous tenant’s death). Each case involves someone living in the home who should not be there.

At present, the majority of remedies available to the social landlords are *civil* remedies. However, this consultation paper considers the introduction of a new *criminal* offence of social housing tenancy fraud. It is proposed that criminal penalties could take the form of a fine, a custodial sentence, or both. In addition, measures could be introduced to allow for any profits to be confiscated and for a restitutionary payment to be made to the landlord.

If a new criminal offence was to be created, the CLG proposes that the maximum sentence should be 2 years imprisonment and a fine of up to £50,000.

Currently, the Proceeds of Crime Act can be used to confiscate money made from certain kinds of criminal activity; however, this money goes back to the state rather than to the person or organisation against whom the offence was committed. The CLG is proposing to allow restitutionary payments to be made to the social landlord in whose stock tenancy fraud was committed. Payments of this nature would allow a landlord to recoup, in both civil and criminal cases, any money the tenant made using the landlord's property (independent of any loss to the landlord).

It is intended that an officer response is provided to the CLG on the proposals.

### **Members Information Evening: Housing and Welfare Reforms - 28 February 2012**

I would just like to remind members of the Members Information Evening being held on the housing and welfare reforms of the Localism Act 2011 and the Welfare Reform Bill at **7pm on Tuesday 28 February 2012** in the Council Chamber.

Under the new Localism Act, housing providers like the Council are being given new powers to make more decisions locally about a range of housing issues. The Council will therefore need to make a number of important decisions in the coming year. These will include:

- **Powers to grant flexible tenancies** - whether or not we continue to provide secure "lifetime" tenancies in all cases in the future, or grant some new tenancies for a fixed term, and if so the length of that term and the circumstances in which this tenancy would be either terminated or extended.
- **Housing Register** - whether or not we wish to take advantage of the new power to be introduced to exclude housing applicants from the Housing Register who do not live within the District.
- **Housing Allocations Scheme** – whether or not we wish to revert to the policy adopted by the Council a number of years ago (which had to be discontinued due to the introduction of legislation at the time but which has now been repealed by the Localism Act) of having a separate Housing Register and Transfer List, perhaps restricting eligibility for houses and bungalows to existing tenants once again.
- **Homelessness** - Whether or not we wish to discharge the Council's homelessness duty by securing accommodation for homeless applicants in the private sector without their agreement, which will now be possible
- **Succession** - Due to the succession rights of new tenants being restricted under the Act to a tenant's spouse, partner or civil partner (thereby excluding

family members who are currently eligible), whether or not we wish to provide discretionary succession rights through the tenancy agreement, as now allowed under the Act.

Many of these provisions will come into effect in April 2012, with others (including the changes to housing allocations schemes) being introduced later in the year.

In addition, the new provisions of the Welfare Reform Bill currently passing through Parliament will have a significant impact on the Council's tenants, tenants in the private rented sector and the Council itself.

A personal invitation will be sent to all members shortly, but you may like to make a note in your diary now.

I would encourage all Members to attend this event, as it is very important that you are all briefed on these major changes which will affect many residents in the District.

Following the Members Information Evening, officers will be working with members to establish our views on each of these issues and to develop our policies for the future.